

Message Text

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ACTION EB-11

INFO OCT-01 EA-11 NEA-10 ISO-00 INT-08 SCEM-02 SCI-06

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10

PA-03 RSC-01 PRS-01 SPC-03 SS-15 USIA-15 ACDA-19

IO-15 CG-00 OMB-01 TRSE-00 NSF-04 EUR-25 DRC-01 /185 W

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R 111615Z OCT 73

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 7312

INFO AMEMBASSY COLOMBO

AMEMBASSY DACCA

AMEMBASSY ISLAMABAD

AMEMBASSY RANGOON

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

C O N F I D E N T I A L SECTION 1 OF 2 NEW DELHI 11889

E.O. 11652: GDS

TAGS: ENRG, IN

SUBJECT: GOI'S OFFSHORE OIL EXPLORATION UNDERWAY AT LAST---

BUT PROBLEMS CONTINUE

REFS: A) NEW DELHI 3992; B) NEW DELHI 8315

SUMMARY: DEEP WATER OFFSHORE EXPLORATION FOR OIL IS FINALLY UNDERWAY IN THE BOMBAY HIGH GEOLOGIC STRUCTURE ON INDIA'S CONTINENTAL SHELF IN THE ARABIAN SEA. REPORTEDLY, THE GOI-OWNED DRILLSHIP, SAGAR SAMRAT, BEGAN ACTUAL DRILLING OPERATION OCTOBER 10.

THIS LONG-DELAYED EFFORT CONTINUES, HOWEVER, TO BE PLAGUED WITH SERIOUS PROBLEMS. AVAILABLE GEOLOGIC DATA PROVIDED BY THE USSR AND A FRENCH FIRM, COMPAGNIE GENERALE DE GEOPHYSIQUE (CGG), APPEAR TO BE INCOMPLETE OR INACCURATE, AND THE THICKNESS AND TYPE OF SEA FLOOR MUDS (THROUGH WHICH THE
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JACK-UP LEGS OF THE DRILL MUST PENETRATE) REMAIN AS ALMOST

UNKNOWN FACTORS THROUGHOUT MOST OF THE AREA OF THE BOMBAY HIGH. SEVERAL ATTEMPTED SET-UPS WERE ABORTED DURING THE PAST TWO WEEKS BECAUSE OF EXCESSIVE MUD THICKNESSES AND PLASTICITY (UNDETERMINED PRIOR TO ATTEMPTED PENETRATION). TIME AND COSTS ARE WORKING AGAINST THE GOI, AND DOMESTIC POLITICAL CONSIDERATIONS HAVE SURGED AHEAD OF SCIENTIFIC AND TECHNICAL REASONING. THE RESULT IS THAT THE FIRST WELL SITE- AN ALTERNATE LOCATION - HAS BEEN SELECTED LARGELY FOR ITS SEA FLOOR, RATHER THAN UNDERGROUND, CONDITIONS. THE FIRST WELL IS, IN REALITY, TO BE A WILDCAT. END SUMMARY.

1. DEEP WATER OFFSHORE EXPLORATION FOR OIL IN INDIA WAS FIRST TO HAVE BEEN ATTEMPTED IN APRIL 1973. WORK WAS POSTPONED TO JUNE (PENDING THE DELAYED DELIVERY OF THE GOI'S SELF-PROPELLED,

SURVEY, DRILLSHIP -- BUILT IN JAPAN UNDER AMERICAN SUPERVISION (REF.A) TO MEET THE THEN KNOWN "INDIAN CONDITIONS" SPECIFIED BY THE GOVERNMENT-OWNED OIL AND NATURAL GAS COMMISSION), THEN TO LATE IN SEPTEMBER BECAUSE OF EXCESSIVELY SEVERE CYCLONIC STORMS IN THE ARABIAN SEA DURING INDIA'S MONSOON SEASON (REF.B), AND FINALLY TO OCTOBER 10. SHORTLY AFTER THE ARRIVAL IN INDIA OF THE SAGAR SAMRAT, THE GOI'S DRILLING CONTRACTOR (AND DRILLSHIP DESIGNER), OFFSHORE COMPANY INTERNATIONAL OF HOUSTON, TEXAS, FOUND THAT SEA FLOOR DATA WERE VIRTUALLY NONEXISTENT IN THE AREA OF THE BOMBAY HIGH. MUD CONDITIONS WERE QUESTIONED, USG ASSISTANCE WAS SOLICITED AND RECEIVED IN THE FORM OF SPARKER SURVEY DATA OBTAINED (IN 1967) BY NOAA'S OCEANOGRAPHIC VESSEL, THE "U.S. OCEANOGRAPHER" (REF. B) AND EFFORTS HAVE BEEN MADE SINCE TO ARRIVE AT VARIOUS ADDITIONAL "GUESSTIMATES" (VIA DIVERS, PROBES, HAND-ACQUIRED MUD SAMPLES AND, RECENTLY, A HASTILY-ASSEMBLED SPARKER UNIT BORROWED FROM THE GOI-OWNED ENGINEERS INDIA LIMITED).

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R 111615Z OCT 73

FM AMEMBASSY NEW DELHI

TO SECSTATE 7313

INOF RUMJGM/AMEMBASSY COLOMBO 2047

AMEMBASSY DACCA

AMEMBASSY ISLAMABAD

AMEMBASSY RANGOON

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

C O N F I D E N T I A L SECSTION 2 OF 2 NEW DELHI 11889

FAIR WEATHER CONDITIONS PERMITTED THE FIRST JACK-UP TRIALS OVER THE BOMBAY HIGH LATE IN SEPTEMBER, BUT THE ABSENCE OF A DETAILED SEA FOLLR SURVEY THWARTED DRILL STABILIZATION AT EACH PREFERRED WELL SITE. IN SHORT, IT HAS BECOME EVIDENT THAT THE DESIGN SPECIFICATIONS DEMANDED BY ONGC TECHNICIANS (SOME THREE YEARS AGO) PLACED TOO GREAT AN EMPHASIS ON THE STRENGTH OF THE UNIT (TO WITH STAND INDIA'S CYCLONIC STORMS), AND TOO LITTLE TO MUD PENETRATION CAPABILITIES. MODIFICATIONS TO THE STABILIZER PADS OF THE DRILL WILL BE REQUIRED BUT, ACCORDING TO DR. GOPAL RAMASWAMY CHIER, EXPLORATION AND DEVELOPMENT, MINISTRY OF PETROLEUM AND CHEMICALS, "IT WOULD BE POLITICAL SUICIDE TO ALLOW THIS INFORMATION TO LEAK OF THE SIDELINE THE DRILL FOR ANY REASON AT THIS TIME."

2. ADDITIONALLY, RAMASWAMY SAID THAT OFFSHORE COMPANY PERSONNEL AHVE DETECTED "SOME ERRORS" IN THE SEISMIC SURVEY
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CONDUCTED BY CGG. HE WOULD NOT GIVE THE MINERALS ATTACHE DETAILS "UNTIL WE KNOW WHAT THE TROUBLE IS", BUT ADMITTED THAT "CGG EXPERTS" HAVE BEEN URGENTLY SUMMONED TO INDIA. (COMMENT: AMID UNCONFIRMED AND CONFLICTING REPORTS, INDICATIONS ARE THAT IN "ERRORS" EXIST THEY MAY BE RELATED TO THE UNDERGROUND POSITIONING OF THE BOMBAY HIGH GEOLOGIC STRUCTURE VIS-A-VIS ACTUAL SURFACE LATITUDE-LONGITUDE LOCATIONS.END COMMENT)

3. WITH SOME REGRET, RAMASWAMY SAID THAT ONGC AND PETROLEUM MINISTRY OFFICIALS HURRIEDLY CONCLUDED THAT IT WAS "IMPERATIVE" THAT DRILLING BE INITIATED "SOMEWHERE IN THE BOMBAY HIGH" WITHOUT FURTHER DELAY. IT WAS POINTED OUT THAT INCLEMENT WEATHER CONDITIONS NO LONGER PREVAIL AT SEA, THE DRILLSHIP IS FULLY EQUIPPED FOR IMMEDIATE OPERATION, AND DAILY STANDBY COSTS (TO THE IDLE

CONTRACTOR) HAVE ESCALATED OUT OF ALL PROPORTION TO THE PREVIOUSLY-PLANNED BUDGETS. RAMASWAMY ALSO SAID THAT "FOR PROTECTION" HE IS CURRENTLY PREPARING "SEVERAL GENERAL STATEMENTS" TO BE USED BY PETROLEUM MINISTER D.K. BOROOAH, AS REQUIRED, WHEN PARLIAMENT RECONVENES IN NOVEMBER. REPORTEDLY, EACH STATEMENT WILL JUSTIFY EARLIER DELAYS AND SHOW "PROGRESS" AT THE MOMENT.

4. THE "ALTERNATE" DRILL LOCATION SELECTED OCTOBER 8 IS SITUATED ABOUT 90 MILES NORTHWEST OF BOMBAY (AND DUE WEST OF TARAPUR, MAHARASHTRA) AT COORDINATES 19 DEGREES 50 MINUTED NORTH; 71 DEGREES 49 MINUTED EAST (WELL SITE DESIGNATION: H-121). THE SAGAR SAMRAT HAS BEEN SATISFACTORILY STABILIZED IN 60 FEET OF WATER AND IN ABOUT 30 FEET OF MUD. THE COLLAR STANDPIPE WAS SECURED OCTOBER 10, AND DRILLING STARTED IMMEDIATELY. INDIA'S FIRST DEEP WATER OFFSHORE WELL IS "SPEEDING OFF," BUT RAMASWAMY AGREED THAT "CONFIDENTIALLY, THE WILDCAT ELEMENT AT THIS LOCATION IS STRONG." (COMMENT: EVIDENTALLY, THIS STATEMENT ONCE AGAIN REFERS EITHER TO POSSIBLE GEOLOGIC OR LOCATIONAL INACCURACIES. IF SO, ONE WOULD BE CERTAIN WHERE THE BOMBAY HIGH STRUCTURE ACTUALLY IS -- OF WHERE THE DRILL IS IN THE STRUCTURE AT THE PRESENT TIME. THE GAMBLE IS UNDERWAY, BUT IT COULD BE A LUCKY STRIKE AT THAT. END COMMENT.) MOYNIHAN

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